

Environmental Management Performance Report

July 2003



E0308025.1



Department of Energy
Richland Operations Office



Bechtel Hanford, Inc.
Environmental Restoration Contractor

Data as of month-end July

ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
JULY 2003

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**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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INTRODUCTION

The monthly Environmental Restoration (ER) Environmental Management Performance Report (EMPR) consists of two sections: Section A - Executive Summary, and Section B – River Corridor Restoration. All data are current as of July 31, 2003, unless otherwise noted.

Section A – Executive Summary. The Executive Summary begins with a description of notable accomplishments for the current reporting month that are considered to have made the greatest contribution toward safe, timely, and cost-effective Hanford Site cleanup. Safety statistics are also included. Major commitments are summarized that encompass Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement) milestones. Fiscal year 2003 (FY03) performance objectives and status are provided. Fiscal year-to-date ER Project cost and schedule variance analysis is summarized. Issues that require management and/or regulator attention are addressed along with resolution status. The Key Integration Activities section highlights site activities that cross contractor boundaries, supporting overall Hanford Site goals. The Executive Summary ends with a listing of major upcoming planned key events (90-day look ahead).

Section B – River Corridor Restoration. This section contains more detailed Environmental Restoration Contractor (ERC) monthly activity information and performance status for the three Project Baseline Summaries (PBSs) within the River Corridor Restoration outcome. These three PBSs consist of RC01 - 100 Area River Corridor Cleanup, RC02 - 300 Area Cleanup, and RC05 - River Corridor Waste Management.

PBS SC01 - Near-Term Stewardship is structured within the Site Stewardship outcome. Due to the minimal FY03 workscope identified for this PBS, SC01 performance data is included in the Executive Summary cost/schedule overview.

Performance Incentive and Safety information in this report is identified with a green, yellow, or red text box used as an indicator of the overall status. Green indicates work or issue resolution is satisfactory and generally meets or exceeds requirements, yellow indicates that significant improvement is required, and red indicates unsatisfactory conditions that require immediate corrective actions.

Section A - Executive Summary



72-Inch Steel Pipe Being Processed in 100 K Area



Carpenters Repairing Flashing on B Reactor



F Reactor SSE Roof Structure



618-4 Burial Ground After Loadout of Contaminated Soil and Debris

Data as of month-end July

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SECTION A – EXECUTIVE SUMMARY

Data as of month-end July

NOTABLE ACCOMPLISHMENTS

River Corridor Restoration:

Management reviews for the ERC FY04 Detailed Work Plan (DWP) were held on July 29 with the U.S. Department of Energy (DOE) Richland Operations Office (RL), regulators, and BHI management. Several action items resulted, but no significant changes were required.

116-N-1 Crib test excavation was completed on July 10. The radiological data received from this test will be used for crib remediation redesign. Work was also completed on an airborne trade-off study to analyze potential methods for excavating, handling, and packaging the crib material.

The subcontractor remobilized at the 618-4 Burial Ground and initiated loadout of oil-contaminated soil. Loadout was completed in July. Verification sampling is scheduled for mid-August.

Drummed 183-H Solar Evaporation Basin waste shipments to ERDF commenced in July. The drummed waste had been stored at the Central Waste Complex awaiting final treatment and disposal. A total of 800 drums were disposed.

During July, 47,236 metric tons (52,069 tons) of contaminated waste were disposed in ERDF, for a total of 537,913 metric tons (592,951 tons) disposed to date in FY03. A total of 4,011,658 metric tons (4,422,119 tons) of waste have been disposed in ERDF since operations began in July 1996.

The construction and construction quality assurance (CQA) contracts for ERDF Cells 5 and 6 were awarded on July 2. Mobilization activities for the construction contract were stopped to evaluate a small vs. large business protest against the successful bidder. The delay should not affect the overall schedule.

F Reactor safe storage enclosure (SSE) roof installation is nearing completion. Through July, interim safe storage (ISS) activities for F Reactor are 97% complete.

All backfill work and site grading were completed at the D Reactor fuel storage basin (FSB) and the north/south water tower pits and surrounding areas. Through July, ISS activities for D Reactor are 88% complete.

B Reactor ventilation upgrade was initiated during July.

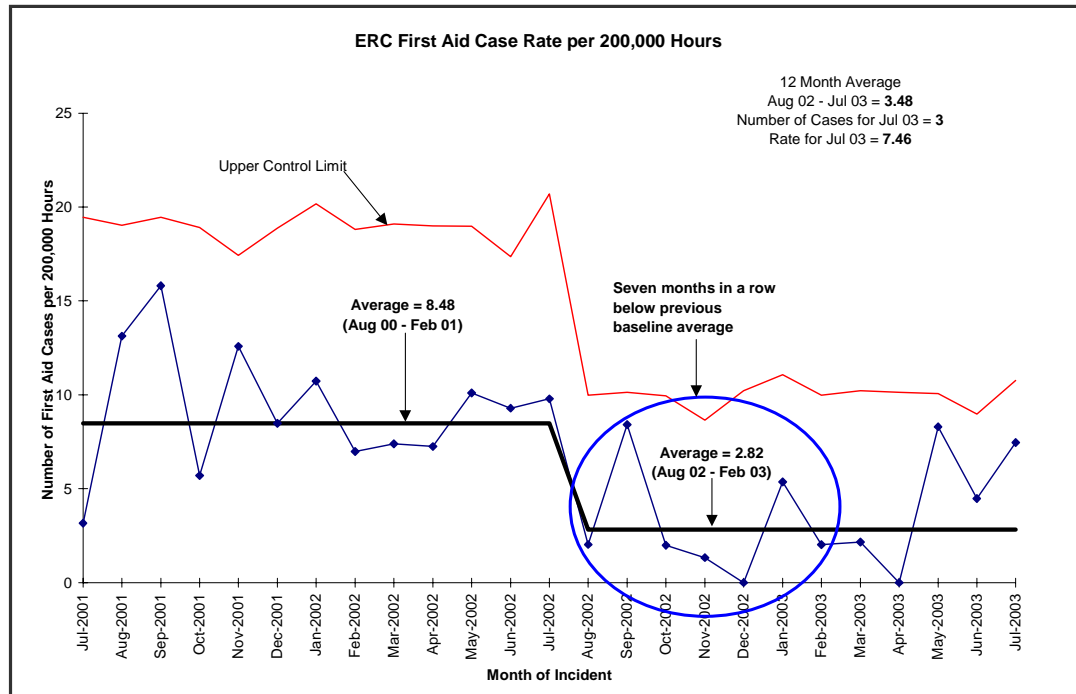
B Reactor storage room roof repair was completed, and repair of the KE Reactor roof was initiated.

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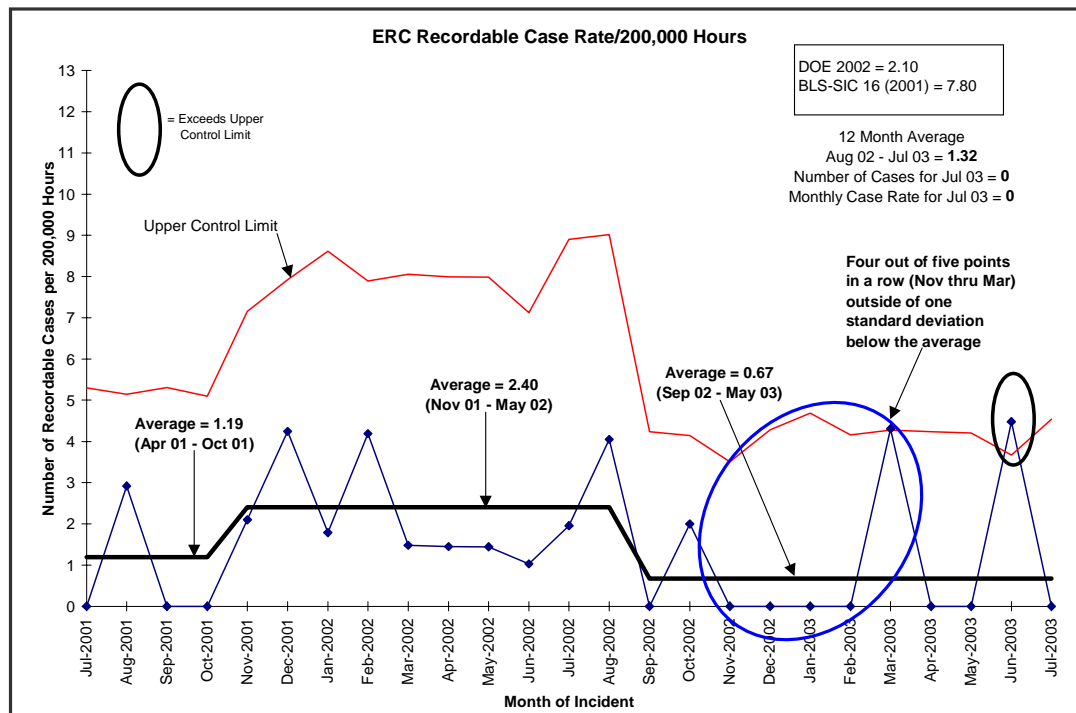
JULY 2003

SAFETY



GREEN

NOTE: This data has been stable since August 2002.



GREEN

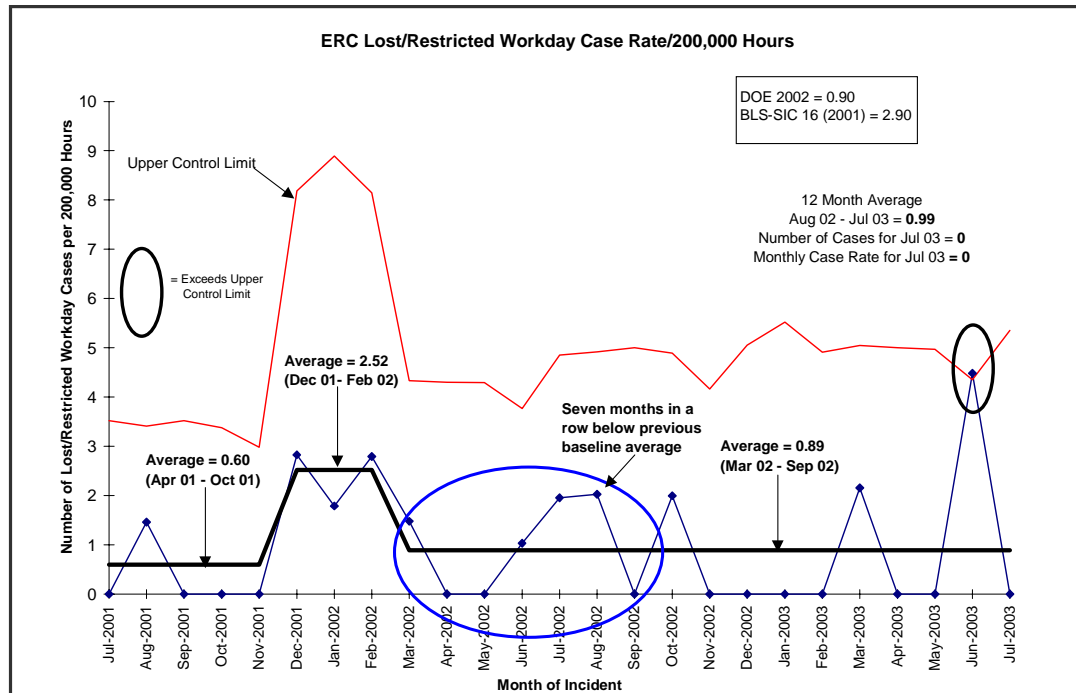
NOTE: ERC personnel experienced zero Recordable injuries during 8 of the last 11 months. March and June had high case rates due to the above normal incidents per month and less hours being worked per month.

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SAFETY continued:



NOTE: With the exception of June 2003, this data has been stable since March 2002.

Safety:

The following actions have or are being taken by the Environmental Restoration Contractor (ERC) to focus on safety improvements:

- Bechtel Hanford, Inc. (BHI) completed and forwarded a working draft of its Voluntary Protection Program (VPP) Star Status application for the River Corridor Contract to RL for their review and comment. Support of the VPP field teams continues.
- The Subcontract Technical Representatives (STRs) continue to review and enhance "Exhibit G", Subcontractor Health and Safety Requirements.
- The STRs perform periodic self-assessments for subcontractor compliance to contract requirements.
- BHI continues to hold Incident Review Board meetings to ensure that the ERC has correctly and thoroughly determined the cause of any incidents and identified correctable opportunities. In addition, lessons learned based on these incidents are used to prevent future occurrences.
- All incidents are thoroughly investigated. Emphasis is placed on causes and corrective actions that can be implemented where applicable. Timely discussions take place in safety meetings and plan of the day (POD) meetings. When investigations are complete, the results are sent to the Area Superintendents, Field Superintendents, and Supervisors for review at the PODs.
- BHI continues to look for trends and consults with Corporate and other Bechtel National, Inc. (BNI) contacts for ways to enhance performance.

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SAFETY continued:

- The ERC continues to work closely with the Hanford Atomic Metal Trades Council (HAMTC) Safety Representative to resolve safety issues as they arise.
- Senior management continues to meet with small groups of employees in the field to discuss safety and personal commitment to safety.
- The Field Support General Superintendent, Subcontract Manager, and Project Safety Manager continue to visit different projects on a regular basis, meet with project team members, and conduct safety walkarounds. Area Superintendents for Decontamination and Decommissioning projects and Surveillance and Maintenance projects are included in these walkarounds. The walkaround participants visit projects other than those for which they are responsible. Information from the walkarounds is shared with the team and other Field Support personnel. Safety conditions requiring corrective action are assigned to project personnel or support personnel for action and are tracked to closure. This activity is ongoing.
- Field Support personnel conduct weekly safety inspections. Findings are entered into a database and tracked to closure. Daily inspections are also performed and logged in the project's daily logbook or daily report.
- The Alliance has revised the Sharing for Success goals to reduce lost time accidents and OSHA recordable rates for FY03.
- Summer months mean longer days, warmer temperatures, schools are closed, vacations are being planned, just to name a few distractions that may add to employees losing focus on their work activities. Management continues to emphasize to all employees the importance to stay focused on their work and to continue with a questioning attitude.

	FYTD	Current Period (06/23/03- 07/20/03)	Current Period Comments
First Aid	17	3	Sprain/strain
OSHA Recordable	6	0	
Restricted Workday Case	4	0	
Lost Workday Case	1	0	

Status:

- As of July 31, 2003, the ERC had worked approximately 150,200 hours without a lost workday case. The last incident occurred on June 4, 2003 and became lost time on June 11, 2003. Continuous employee involvement is being fostered by the Integrated Environmental Safety and Health Management System (ISMS), VPP, labor alliance programs, e-mail communications, and one-on-one meetings with employees.
- During the period October 1, 2002 through July 31, 2003, the ERC experienced 20 first aid incidents, 5 lost/restricted incidents, and 1 recordable-only incident, which equates to having **94% of our workdays injury free**. During this time period, the ERC experienced a string of 68 consecutive **injury-free** workdays.

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SAFETY continued:

- The ERC continues to work diligently to provide accurate and timely reporting of occurrences, and to conduct followup fact-finding critiques to identify problems and improve safe field operations.
- A Work Injury Review Team was formed, consisting of both craft and nonmanual employees, to specifically look into the circumstances surrounding four recent injuries to ERC personnel. The team's specific charge is to determine if commonalties existed and if one or more specific elements of BHI's work processes contributed to these injuries. The Review Team will report the findings to BHI management and the VPP Leadership Council in August.

Integrated Environmental Safety and Health Management System (ISMS):

The Waste Information Data System (WIDS) reports an inventory of 2000 curies of beta in 1986 for the 618-2 Burial Ground. The high beta inventory may require the waste site to be categorized as a hazard Category 3 Nuclear Facility for remediation, which can add significant operating costs to the project. A background review was completed for the WIDS file documentation and no traceable reference or resources were found for the high beta inventory, particularly without a corresponding gamma inventory. A meeting was held with RL on July 21, wherein it was agreed to do additional research of the history of the 618-2 Burial Ground waste records and to perform some radioactivity decay calculations for spent fuel waste samples generated from 1951 to 1954. With the additional research, it may be possible to show that the 2000 curies of beta is not a valid inventory value and that the 618-2 Burial Ground should be categorized below Category 3. A baseline change proposal (BCP) is being prepared by the Remedial Action and Waste Disposal Project to support the additional WIDS research.

F Reactor ISS project is expected to be completed later this summer. The reactor is home to maternity colonies of Pallid bats and Myotis bats, which are given priority species status by Washington State at communal roosts and breeding areas. A mitigation plan is needed to prevent bats from being trapped inside the reactor when it is closed up and to provide alternate roosting areas outside the reactor. Bat houses have been placed on the outside of the building and are being occupied by Myotis bats. Pallid bats have different requirements, and solutions to providing them alternate roosting areas are being researched.

BHI completed an independent assessment of the ERC Assessment Management Program.

The third quarter ERC Trend Report was issued in July. No significant issues were noted in the report.

BHI completed the FY03 third quarter ISMS metrics report in July. Since the previous report, BHI has established recommended decision criteria for two of its performance metrics, performed a comprehensive review of its performance metrics, and identified three additional performance metrics to be included in the ISMS metrics program. In the coming months, BHI plans to continue establishing decision criteria for the remaining performance metrics, implement changes to those metrics where significant conclusions or actions were identified, and begin development of the three newly identified performance metrics: ES&H Employee Concerns Effectiveness, ORPS Effectiveness, and Fire Protection Effectiveness.

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MAJOR COMMITMENTS

Tri-Party Agreement Milestones: Two (2) Tri-Party Agreement milestones were planned for completion during FY03. A total of three (3) Tri-Party Agreement milestones have been completed through July.

Total Tri-Party Agreement Milestones Due in FY03	2
Total Planned through July	0
Total Completed through July	3

Remaining Tri-Party Agreement Milestones to be Completed in FY03	0
Forecast Ahead of Schedule	0
Forecast On Schedule	0

Tri-Party Agreement Milestone M-16-10A, "Initiate Remedial Action in the 100-KR-1 Operable Unit", (due August 1, 2003) was completed on December 11, more than seven months ahead of schedule.

Tri-Party Agreement Milestone M-93-16, "Complete 105-DR Reactor Interim Safe Storage" (due September 30, 2003), was completed on January 29, eight months ahead of schedule.



Tri-Party Agreement Milestone M-16-13B, "Complete Remediation and Backfill of 16 Liquid Waste Sites and Process Effluent Pipelines in the 100-FR-1 and 100-FR-2 Operable Units as Defined in the Remedial Design Report/Remedial Action Work Plan for the 100 Area" (due October 29, 2004), was completed on May 20, more than 17 months ahead of schedule. An additional 14 waste sites were also backfilled, which made a total of 30 waste sites completed.

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PERFORMANCE OBJECTIVES

BHI focus area performance incentives are noted below. Specific River Corridor performance incentives are identified in Section B.

PIs - October through December 2002:

PI	Fee Allocation	Task	Status
 Execute Detailed Work Plan	Incentive fee shall not exceed 100%; if SPI is less than 75% at end of contract period, no fee shall be awarded.	Perform to approved DWP through contract period ending 12/31/02 in accordance with the SPI provision.	Through December, the SPI was 1.10, or 10% ahead of schedule. A Notice of Completion (NOC) was submitted to RL on February 21 for the October through December time frame. RL approved the NOC on May 6.
 Safety	Up to 50% of fee available for this PI may be forfeited if failure to satisfactorily meet PI in accordance with applicable requirements.	Protect worker safety and health, public safety and health, and the environment.	No issues or negative findings were identified with regard to the 14 applicable performance failure criteria associated with this performance incentive through December. A NOC was submitted to RL on March 4 for the October through December time frame. RL approved the NOC on May 6.

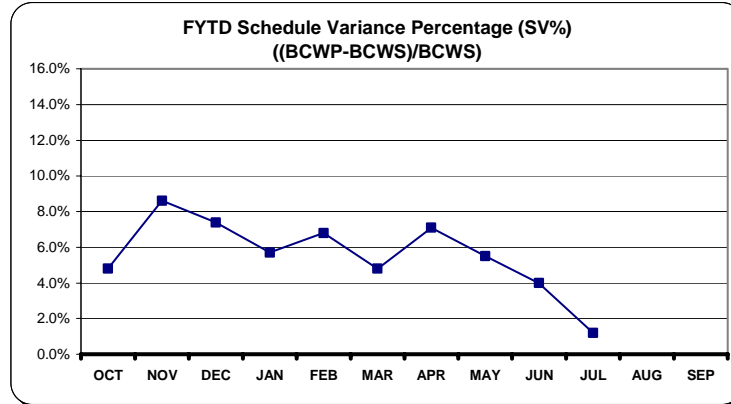
PI - January through June 2003:

PI	Fee Allocation	Task	Status
 Safety	Up to 50% of fee available for this PI may be forfeited if failure to satisfactorily meet PI.	Protect worker safety and health, public safety and health, and the environment.	No significant issues or findings were identified January 1 through June 30, 2003, with regard to the 14 applicable performance failure criteria associated with this performance incentive. During this time period, the ERC experienced 13 first aid incidents, 4 lost/restricted incidents, and 1 recordable-only incident, which equates to having 91% of our workdays injury free. As of June 30, 2003, the ERC worked approximately 60,500 hours since the last lost workday incident which occurred on June 4, 2003, and became lost time on June 11, 2003. NOC package was transmitted to RL on August 7, 2003.

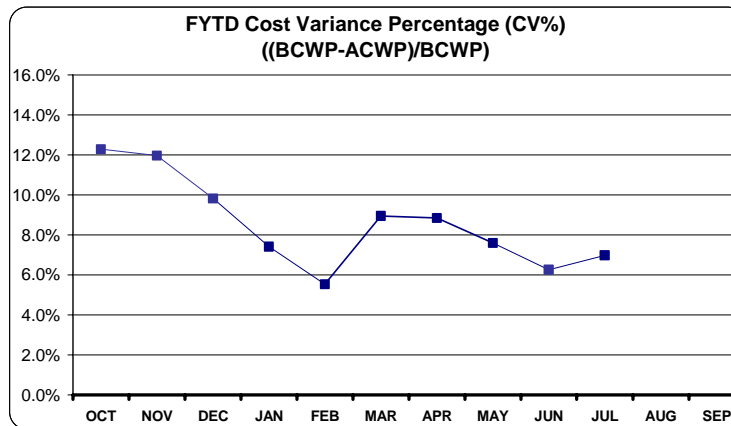
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TOTAL ERC COST/SCHEDULE OVERVIEW

**FY03 ERC PERFORMANCE SUMMARY
FYTD JULY 2003
(\$K)**



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
DWP	8,451	8,521	9,154	8,467	8,304	10,768	8,608	8,797	10,797	8,997	10,602	9,997
DWP (Accum)	8,451	16,973	26,127	34,594	42,898	53,666	62,274	71,071	81,868	90,865	101,466	111,463
CURRENT PERIOD												
BCWS	8,898	8,767	10,438	8,556	8,531	10,764	9,164	10,223	11,423	8,257	12,087	11,443
BCWP	9,322	9,863	10,993	8,579	9,484	10,384	11,124	9,700	10,777			
FISCAL YEAR TO DATE												
BCWS	8,898	17,665	28,103	36,659	45,190	55,955	65,119	75,342	86,765	95,021	107,108	118,551
BCWP	9,322	19,185	30,178	38,757	48,241	58,625	69,749	79,449	90,226	96,153		
SV	424	1,520	2,075	2,098	3,051	2,670	4,630	4,107	3,461	1,132		
SV%	4.8%	8.6%	7.4%	5.7%	6.8%	4.8%	7.1%	5.5%	4.0%	1.2%		



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	EAC
CURRENT PERIOD													
ACWP	8,177	8,713	10,324	8,670	9,689	7,810	10,196	9,832	11,164	4,871			
BCWP	9,322	9,863	10,993	8,579	9,484	10,384	11,124	9,700	10,777	5,928			
FISCAL YEAR TO DATE													
ACWP	8,177	16,890	27,214	35,883	45,572	53,382	63,578	73,410	84,574	89,445			
BCWP	9,322	19,185	30,178	38,757	48,241	58,625	69,749	79,449	90,226	96,153			
CV	1,145	2,295	2,964	2,874	2,669	5,243	6,171	6,039	5,652	6,708			
CV%	12.3%	12.0%	9.8%	7.4%	5.5%	8.9%	8.8%	7.6%	6.3%	7.0%			
EAC (Cumulative)	8,177	16,890	27,214	35,883	45,572	53,382	63,578	73,410	84,574	89,445	100,936	110,992	111,360

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TOTAL ERC COST/SCHEDULE OVERVIEW (continued)

**FY03 ERC PBS PERFORMANCE SUMMARY
FYTD JULY 2003
(\$K)**

	FY03 DWP BCWS	CURRENT BCWS	FYTD			FYTD SCHEDULE VARIANCE			FYTD COST VARIANCE			EAC
			BCWS	BCWP	ACWP	\$	%	SPI	\$	%	CPI	
RC01	65,900	70,613	56,493	57,131	53,838	638	1.1%	1.01	3,293	5.8%	1.06	67,288
RC02	12,608	12,927	10,612	11,204	9,661	592	5.6%	1.06	1,543	13.8%	1.16	11,546
RC05	32,855	34,914	27,853	27,762	25,909	-91	-0.3%	1.00	1,853	6.7%	1.07	32,449
RCR-Subtotal	111,363	118,454	94,958	96,097	89,408	1,139	1.2%	1.01	6,689	7.0%	1.07	111,283
SC01	100	97	63	56	37	-7	-11.1%	0.89	19	33.9%	1.51	
SS-Subtotal	100	97	63	56	37	-7	-11.1%	0.89	19	33.9%	1.51	77
ERC TOTAL	111,463	118,551	95,021	96,153	89,445	1,132	1.2%	1.01	6,708	7.0%	1.07	111,360

Schedule Variance Summary:

Through July the ER Project is \$1.1M (+1.2%) ahead of schedule. The positive schedule variance is attributed to the acceleration of the 300 Area 618-5 Burial Ground remediation operations, 100 N Area plume excavation completed ahead of schedule, and 100 F Area cleanup verification/backfill proceeding ahead of schedule. F Reactor SSE roof installation is approximately one month ahead of schedule.

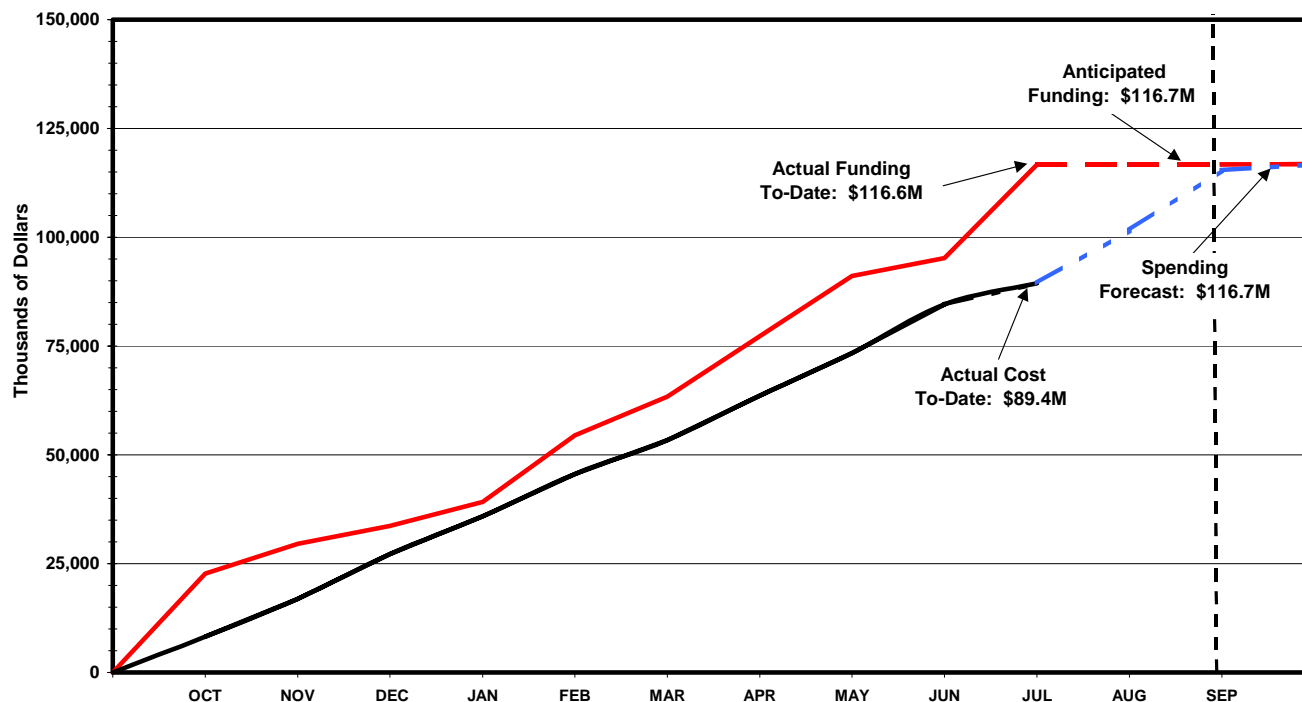
Cost Variance Summary:

At the end of July, the ER Project had performed \$96.2M worth of work, at a cost of \$89.4M. This results in a favorable cost variance of \$6.7M (+7.0%). The positive cost variance is attributed to consolidating common 618-4 and 618-5 Burial Ground remediation activities and prior-year rebill accounting adjustments that were realized in March.

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TOTAL ERC COST/SCHEDULE OVERVIEW (continued)

FY03 FUNDING VS. FORECAST EXPENDITURES (EAC)



		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Est. Outyr ETC	TOTAL
1	FY03 ERC FUNDING	22,717	29,506	33,639	39,169	54,469	63,381	77,303	91,111	95,232	116,650	116,695	116,695		
ACTUAL/EAC ON APPROVED SCOPE															
2	Actual Cost Cumulative Through July	8,177	16,890	27,214	35,884	45,573	53,383	63,579	73,410	84,574	89,445				
3	Current Monthly Actuals/EACs	8,177	8,713	10,324	8,670	9,689	7,810	10,196	9,832	11,164	4,871	11,490	10,056	368	
4	Cumulative Actuals/EACs on Approved Scope	8,177	16,890	27,214	35,884	45,573	53,382	63,578	73,410	84,574	89,445	100,936	110,992	368	111,360
AUGUST FY2003 BCPs PENDING APPROVAL															
5	RC01 BCP-23079 Prepare Vadose Monitoring Cost Estimate										RAWD	43			43
6	RC02 BCP-23080 Accelerate 300-FF-1 Regrade/Backfill Alternative 2 Procurement Package from FY04										RAWD		70		70
7	RC05 BCP-23081 Accelerate Treatment of the Drums of Uranium Oxide Powder										RAWD	0	0		0
8	RC02 BCP-23084 Accelerate CVP Sampling for 300 Area 618-5 Burial Ground										RAWD		117		117
9	RC01 BCP-23086 Accelerate Completion of 100 B/C Remaining Pipelines (RC01: \$59K; RC05: \$101K)										RAWD	89	71		160
10	RC05 BCP-23088 Accelerate Transportation/Treatment of Uranium Chips in Oil Drums										RAWD		1,969		1,969
11	RC01 BCP-23090 Issuance of TPA MP-14 Packages										RAWD		70		70
12	Subtotal Approved Scope Changes											132	2,297		2,429
PENDING/SCOPE CHANGES - AUGUST FY2003															
13	RC05 BCP-23061 Increased Volumes Requiring Special Treatment at ERDF										RAWD		136		136
14	RC01 BCP-23087 Accelerate Tonnage for 116-K-1 to Meet Performance Requirements (RC01: \$605K; RC05: \$537K)										RAWD	575	567		1,142
15	RC02 BCP-23089 618-2 Inventory Reconciliation										RAWD		40		40
16	RC01 BCP-23092 Work Scope Adjustment Due to Mud Dauber Wasps at 105-H Reactor FSB										DD		100		100
17	RC01 BCP-23093 Accelerate 100 B/C Burial Ground Request for Proposal										RAWD		47		47
18	RC01 BCP-23094 Accelerate Excavation at 100 B/C										RAWD		277		277
19	RC02 BCP-23X01 618-5 Burial Ground Quantity Reduction - Waste Minimization										RAWD	(257)	(201)		(458)
20	RC02 BCP-23X02 Additional Oil-Contaminated Soil at the 618-4 Burial Ground										RAWD	70	16		86
21	ALL BCP-2301X Central Plateau Closeout Costs										All		73		73
22	ALL BCP-2301Y Implementation of the River Corridor Contract Transition										All	146	458	871	1,475
23	ALL Pending Scope Additions, Deletions, etc. (Includes Central Plateau Accounting Adjusted Funding Allowance)											0	(12)		(12)
24	Subtotal Approved BCPs + Pending BCPs											666	3,798	871	5,335
25	Current Monthly Actuals/EACs + July FY03 Approved/Pending BCPs	8,177	8,713	10,324	8,670	9,689	7,810	10,196	9,832	11,164	4,871	12,156	13,853		
26	Cumulative Actuals/EACs + July FY03 Approved/Pending BCPs	8,177	16,890	27,214	35,884	45,573	53,382	63,578	73,410	84,574	89,445	101,602	115,455	1,239	116,695

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ISSUES (REGULATORY/EXTERNAL/DOE)

See Section B issues.

KEY INTEGRATION ACTIVITIES

See Section B key integration activities.

UPCOMING PLANNED KEY EVENTS

Transition ER River Corridor workscope.

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SECTION B – RIVER CORRIDOR RESTORATION

Data as of month-end July

ACCOMPLISHMENTS

100 Area River Corridor Cleanup (RC01):

Effluent pipeline remediation continues to move toward C Reactor. A plume in pipelines 28 and 29 on the northeast side of B Reactor was removed, and samples will be taken to verify cleanup criteria was met. Remediation of the 126-B-3 Coal Pit waste site is also progressing.

Cleanup verification packages (CVPs), Rev. 0, were completed for 116-F-11 pipeline and three accelerated waste sites in 100 F Area. The 100 F Area burial grounds and remaining sites preliminary design and design reviews were also completed.

Soil remediation is progressing at the 116-K-1 Crib in 100 K Area. RL approved the Final Hazard Classification (FHC) and Auditable Safety Analysis (ASA) for the 118-K-1 Burial Ground, subject to incorporation of several conditions described in RL's Safety Evaluation Report. The 118-K-1 Burial Ground final design package was also completed.

During July, 100 N Area subcontractor closeout activities were initiated. The subcontractor is also performing extensive equipment decontamination prior to demobilizing.

116-N-1 Crib test excavation was completed on July 10. The radiological data received from this test will be used for crib remediation redesign. Work was also completed on an airborne trade-off study to analyze potential methods for excavating, handling, and packaging the crib material.

F Reactor safe storage enclosure (SSE) roof and siding installation is currently ahead of schedule and nearing completion. All pourbacks and steel plates have been placed. Through July, interim safe storage (ISS) activities for F Reactor are 97% complete.

All backfill work and site grading were completed at the D Reactor fuel storage basin (FSB) and the north/south water tower pits and surrounding areas. Through July, ISS activities for D Reactor are 88% complete.

In the H Reactor FSB, removal of the upper 38 centimeters (15 inches) of soil was completed in Section 3. Laser-Assisted Ranging and Data System (LARADS) radiological survey data from the bottom lift in Section 3 was analyzed, and seven new hot spots were found (hot spots 14-20). Through July, ISS activities for H Reactor are 52% complete.

The 100 N Area Ancillary Facilities Waste Characterization Sampling and Analysis Plan, Draft A was transmitted on July 28 for RL and regulator review.

100 Area surveillance and maintenance (S&M) tasks completed during July included:

- Initiated B Reactor ventilation upgrade.
- Completed B Reactor storage room roof repair.
- Initiated repair of the KE Reactor roof.

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ACCOMPLISHMENTS (continued)

ERC cumulative socioeconomic contracting goals for small business, disadvantaged, and woman-owned small business have all been exceeded through July.

Management reviews for the ERC FY04 Detailed Work Plan (DWP) were held on July 29 with RL, regulators, and BHI management. Several action items resulted, but no significant changes were required.

300 Area Cleanup (RC02):

The subcontractor remobilized at the 618-4 Burial Ground and initiated loadout of oil-contaminated soil. Loadout was completed in July. Verification sampling is scheduled for mid-August.

RL approved the FHC and ASA for the Remediation of Six 300-FF-2 Operable Unit Solid Waste Burial Grounds, with the exception of the 618-2 Burial Ground. The documentation is being modified to incorporate conditions described in RL's Safety Evaluation Report for these waste sites.

River Corridor Waste Management (RC05):

The ERDF Disposal team has worked 87 months (since project inception) without a lost time accident.

Drummed 183-H Solar Evaporation Basin waste shipments to ERDF commenced in July. The drummed waste had been stored at the Central Waste Complex awaiting final treatment and disposal. A total of 800 drums were disposed.

During July, 47,236 metric tons (52,069 tons) of contaminated waste were disposed in ERDF, for a total of 537,913 metric tons (592,951 tons) disposed to date in FY03. A total of 4,011,658 metric tons (4,422,119 tons) of waste have been disposed in ERDF since operations began in July 1996.

The construction and construction quality assurance (CQA) contracts for ERDF Cells 5 and 6 were awarded on July 2. Mobilization activities for the construction contract were stopped to evaluate a small vs. large business protest against the successful bidder. The delay should not affect the overall schedule. A CQA preconstruction meeting was held on July 24. A review of submittals is in progress.



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MAJOR COMMITMENTS (FISCAL YEAR PLUS 6 MONTHS)

TPA Milestone	Description	Due Date	(F)/(A) Date
M-16-10A	Initiate Remedial Action in the 100-KR-1 Operable Unit	08/01/03	12/11/02 (A)
M-93-16	Complete 105-DR Reactor Interim Safe Storage	09/30/03	01/29/03 (A)
M-16-63*	Submit a Schedule and TPA Milestones to Complete Interim Remedial Actions for the Following 300-FF-2 Waste Sites (300-259, 303-M SA, 303-M UOF, UPR-300-46, URP-300-17, and 618-1) and Confirmatory Sampling of the Following 300-FF-2 Candidate Sites (300-109, 300-110, and 333 ESHWSA)	11/30/03	At Risk*
M-94-01*	Submit a Schedule and TPA Milestones to Complete Disposition of the Following Surplus Facilities: 303M, 332, 333, 334, 334A, 3221, 3222, 3223, 324, 3225, 324, 324B, 327 (River Corridor scope currently maintained by FH)	11/30/03	At Risk*
M-16-13B	Complete Remediation and Backfill of 16 Liquid Waste Sites and Process Effluent Pipelines in the 100-FR-1 and 100-FR-2 Operable Units as Defined in the Remedial Design Report/ Remedial Action Work Plan for the 100 Area	10/29/04	05/20/03 (A)

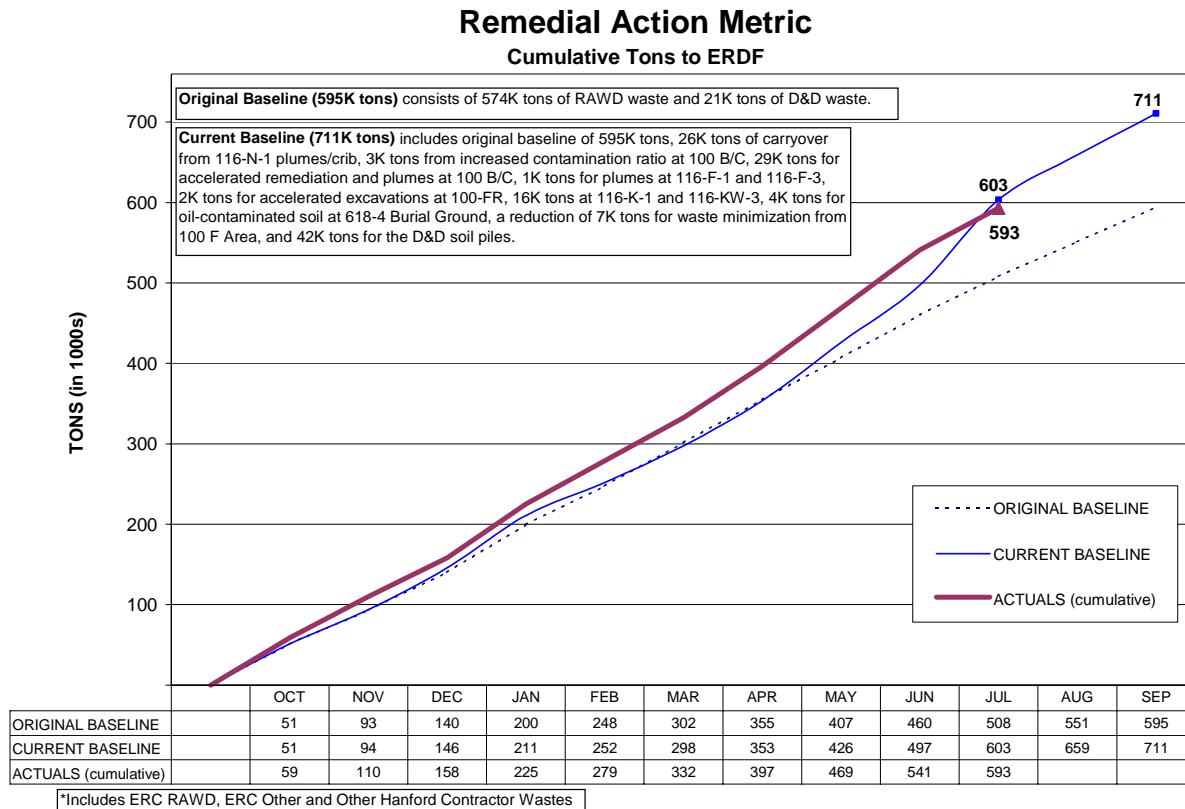
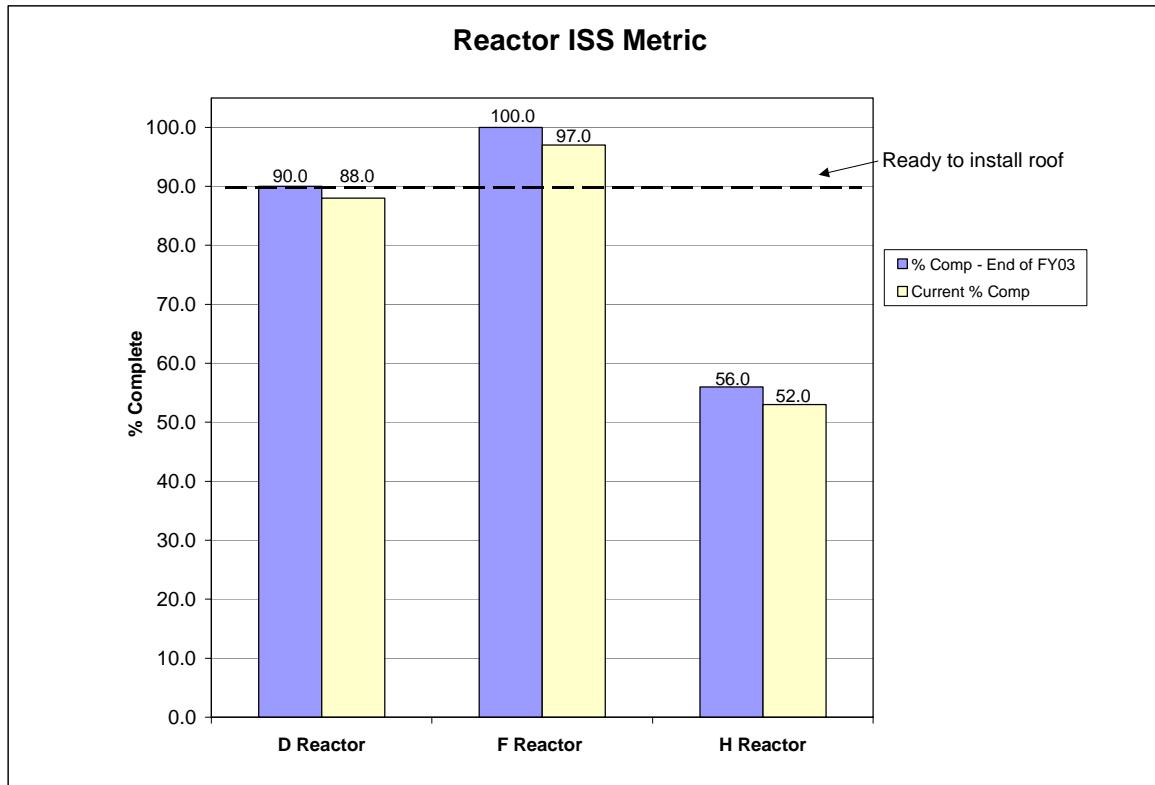
*RL is discussing potential impacts/options with the regulators.

PERFORMANCE OBJECTIVES

	PI	Task
	F Reactor Interim Safe Storage	Complete FY02 carryover ISS activities at F Reactor by November 20, 2002. Status: Completed on November 13, 2002. Notice of Completion package transmitted to RL on January 8, 2003. RL completed review and approved payment of full fee on January 30, 2003.
	Accelerate River Corridor D&D and Remediation of Release Sites	<p>Complete 32 release sites (cleanup verification package [CVP] or waste site reclassification sheet [WRS]) and demolition of 2 facilities. Status: Complete. As of month-end June, 49 waste sites have been completed. Demolition and loadout have been completed for 2 facilities (1720-HA Arsenal Building [April 22] and 118-C-4 Horizontal Rod Storage Cave [June 4]); rods have also been disposed. NOC package was transmitted to RL on August 4, 2003.</p> <p>Exceed baseline disposal total (457K tons) up to a total of 65.5K additional tons. Complete 15 additional release sites (CVP or WRS). Complete demolition of a third facility. Status: Complete. Through June, 526.2K tons of waste have been disposed. Completion of additional release sites was also achieved (see above PI status). Demolition and loadout were completed for the 117-DR Filter Building on June 17. NOC package was transmitted to RL on August 4, 2003.</p> <p>Achieve ISS progress in accordance with DWP. Status: Complete. ISS planned activities for D, H, and F Reactors completed on schedule through June. NOC package was transmitted to RL on August 7, 2003.</p>

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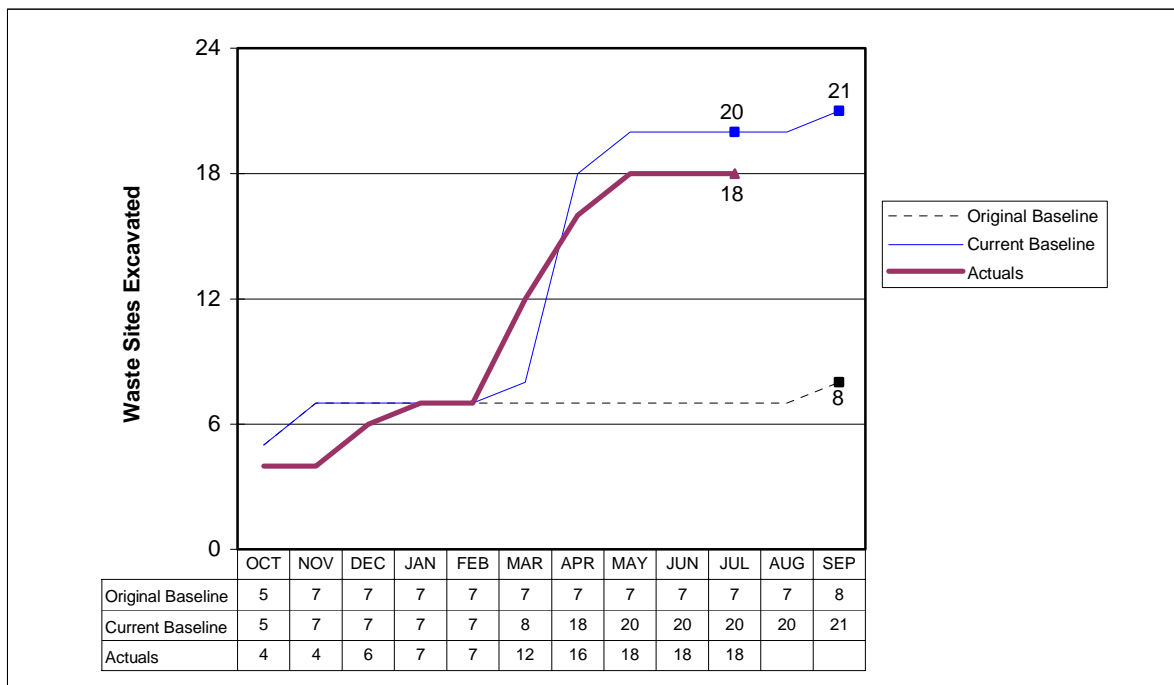
PERFORMANCE MEASURES/METRICS



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PERFORMANCE MEASURES/METRICS (continued)

Waste Site Metric
Excavations Completed (cumulative)



Technology Deployments

Technology Deployment	PBS	Date Deployed	First-Time Deployment
Enhanced Site Characterization System (deployed at 618-5 Burial Ground)	RC02	10/02	No
RF Camera System for Brokk™ (deployed at H Reactor FSB)	RC01	10/02	Yes
IPIX 360-Degree Photography (deployed at C Reactor)	RC01	11/02	Yes
Mobile Access Control (Dolphin platform) (deployed at 100 K Area)	RC01	12/02	Yes
Ultra Lift (deployed at 100 N Area)	RC01	01/03	Yes
ISO-CART (deployed at 190-DR Facility)	RC01	02/03	Yes
ERDF Truck Survey Tool (Dolphin platform) (deployed at 100 B/C remedial action sites)	RC01	02/03	Yes

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COST/SCHEDULE STATUS

ERC - SCHEDULE VARIANCE	BCWS	BCWP	Variance
	\$K	\$K	\$K
RC01 - 100 Area River Corridor Cleanup	56,493	57,131	638
RC02 - 300 Area Cleanup	10,612	11,204	592
RC05 - River Corridor Waste Management	27,853	27,762	(91)
SC01 - Near-Term Stewardship	63	56	(7)
TOTAL ERC	95,021	96,153	1,132

PBS-RC01 – 100 Area River Corridor Cleanup

Schedule Variance = **\$638K; 1.1%**

Cause: 100 N Area plume excavation was completed ahead of schedule. 100 K Area excavation and 100 F Area cleanup verification package preparation/backfill are ahead of schedule.

Resolution: N/A

Cause: F Reactor SSE roof installation is approximately one month ahead of schedule.

Resolution: N/A

Cause: B Reactor ventilation upgrade started late due to delay in supply fan shipment.

Resolution: Upgrade is expected to be completed in early September.

PBS-RC02 – 300 Area Cleanup

Schedule Variance = **\$592K; 5.6%**

Cause: 618-5 Burial Ground soil excavation and sampling activities were finished ahead of schedule. Remaining loadout activities are scheduled for completion in August. 618-4 Burial Ground verification sampling and CVP preparation are behind schedule due to discovery of oil-contaminated soil.

Resolution: 618-4 sampling is scheduled for completion this fiscal year; CVP will be completed in FY04 and has been identified as carryover.

PBS-RC05 – River Corridor Waste Management

Schedule Variance = **(\$91K); (0.3%)**

Cause: ERDF Transportation is slightly behind schedule; the ERDF construction subcontractor mobilization for Cells 5 and 6 expansion is on hold pending resolution of a contract award challenge.

Resolution: Transportation schedule is expected to be recovered in August; mobilization is expected to be completed by September 30.

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COST/SCHEDULE STATUS (continued)

ERC - COST VARIANCE	FY03 EAC	BCWP	ACWP	Variance
	\$K	\$K	\$K	\$K
RC01 - 100 Area River Corridor Cleanup	67,288	57,131	53,838	3,293
RC02 - 300 Area Cleanup	11,546	11,204	9,661	1,543
RC05 - River Corridor Waste Management	32,449	27,762	25,909	1,853
SC01 - Near-Term Stewardship	77	56	37	19
TOTAL ERC	111,360	96,153	89,445	6,708

PBS-RC01 – 100 Area River Corridor Cleanup

Cost Variance = **\$3,293K; 5.8%**

Cause: Less program management support to projects required than planned.

Resolution: Underrun reflected in EAC.

Cause: Prior-year provisional rate rebill accounting adjustments were realized in March.

Resolution: Underrun reflected in EAC.

Cause: Early completion of several accelerated waste site cleanup activities resulted in resource savings; resource sharing between 100 F/100 K Area remediation activities resulted in labor efficiency savings.

Resolution: Underrun reflected in EAC.

PBS-RC02 – 300 Area Cleanup

Cost Variance = **\$1,543K; 13.8%**

Cause: Cost savings resulted from efficiencies realized in 618-4 Burial Ground sorting, sampling, and loadout of contaminated soils; savings from consolidation of common 618-4 and 618-5 Burial Ground remediation activities.

Resolution: Underrun reflected in EAC.

PBS-RC05 – River Corridor Waste Management

Cost Variance = **\$1,853K; 6.7%**

Cause: Subcontract negotiations yielded reduced LDR lead soil treatment costs; uranium oxide preliminary treatment plan was simplified; streamlined design approach for ERDF Cells 5 and 6 construction resulted in lower costs than planned; underruns were partially offset by increased transportation requirements from waste sites.

Resolution: Underrun reflected in EAC.

Cause: Prior-year provisional rate rebill accounting adjustments were realized in March.

Resolution: Underrun reflected in EAC.

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ISSUES (REGULATORY/EXTERNAL/DOE)

- **M-16-63 and M-94-01:** Tri-Party Agreement Milestone M-16-63, "Submit a Schedule and TPA Milestones to Complete Interim Remedial Actions for the Following 300-FF-2 Waste Sites (300-259, 303-M SA, 303-M UOF, UPR-300-46, UPR-300-17, and 618-1) and Confirmatory Sampling of the Following 300-FF-2 Candidate Sites (300-109, 300-110, and 333 ESHWSA)"; and Milestone M-94-01, "Submit a Schedule and TPA Milestones to Complete Disposition of the Following Surplus Facilities: 303M, 332, 333, 334, 334A, 3221, 3222, 3223, 3224, 3225, 324, 324B, 327" (both due November 30, 2003), are at risk due to the delay in awarding the River Corridor contract.

Strategy/Status: RL is discussing potential impacts with EPA and Ecology as well as options for resolution of these milestones.

INTEGRATION ACTIVITIES

None identified at this time.